



Public Service Commission

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Rory M. Christian, Chair

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PSC Greenlights Private Financing and Municipal Approvals for Champlain Hudson Transmission Line

Commission Paves Way for Project to Deliver Renewable Power into New York City

ALBANY — The New York State Public Service Commission (Commission) today approved plans for the developers to secure up to \$6 billion in private financing that would be used to support construction of the Champlain Hudson Power Express Project (Champlain Hudson project), a high-voltage, direct current transmission line extending 339 miles from the border with Canada to Astoria, Queens. In addition, the Commission ruled that the project developers may proceed with the project and exercise the rights and privileges granted under various municipal consents the project has received.

“By encouraging the development of environmentally acceptable projects that reinforce the backbone of our energy system, New York is helping ensure a clean energy future,” **said Commission Chair Rory M. Christian.** “In addition to ensuring the safety and reliability of the transmission system, the Champlain Hudson project, and others being developed, will play a key role in our comprehensive plan to modernize our state’s transmission system so that it delivers clean energy to all New Yorkers, while advancing our climate goals and creating clean-energy jobs.”

On April 18, 2013, the Commission authorized the project developers, CHPE LLC (formerly known as Champlain Hudson Power Express, Inc.) and CHPE Properties Inc., to construct the transmission line. As part of this siting proceeding, the Commission determined, among other findings, that the project would serve the public interest, convenience, and necessity, and would minimize the adverse environmental impacts.

The developers previously received permission to borrow up to \$4.5 billion for the project and was now seeking permission to increase the amount borrowed up to \$6 billion. It is important to note that New York ratepayers cannot be harmed by the terms of this financing because developers bear all the financial risk associated with this financial arrangement. Moreover, on November 29, 2021, H.Q. Energy Services (U.S.) Inc., as part of a collaboration with the developers, executed a contract with the New York State Energy Research and Development Authority (NYSERDA) under which NYSERDA will purchase renewable energy credits for renewable power that is delivered over the transmission line. Any additional authorized indebtedness to cover increased project costs cannot alter the prices established in the NYSERDA contract.

Several groups provided comments in support of the Commission’s decision today, including the mayor of the Town of Haverstraw, the supervisor of the Town of Putnam, the chief of staff to the

supervisor of the Town of Clarkstown, and superintendents of the Hudson Falls Central and Whitehall Central school districts. Each cited the long-term financial benefits to their constituencies and maintained that the developers have been a cooperative partner, regularly engaging with stakeholders and addressing any articulated concerns. Meanwhile, several groups opposed the underlying project, asserting that hydropower is not clean energy, its purported benefits are overstated, and the project will damage the Hudson River.

In making its latest decision, the Commission stated that the environmental concerns regarding the project have been addressed as part of the siting proceeding. Further, the proposed financing is consistent with other debt issuances approved for lightly regulated corporations that participate in competitive wholesale markets.

Today's decision may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 20-E-0598 or 21-E-0425 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.